

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

I. DISPUTE

1. a. Whether there should be reimbursement of \$583.00 for dates of service 02/07/02 and 03/10/02.
- b. The request was received on 06/20/02.

II. EXHIBITS

1. Requestor, Exhibit I:
 - a. TWCC 60 and Letter Requesting Dispute Resolution
 - b. HCFA(s)
 - c. TWCC 62 form
 - d. Medical Records
 - e. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit II:
 - a. TWCC 60 and Response to a Request for Dispute Resolution
 - b. HCFA(s)
 - c. TWCC 62 form
 - d. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. Per Rule 133.307 (g) (3), the Division forwarded a copy of the requestor's 14 day response to the insurance carrier on 08/16/02. Per Rule 133.307 (g) (4), the carrier representative signed for the copy on 08/19/02. The 3 day response from the insurance carrier was received in the Division on 07/18/02. All of the information in the case file will be reviewed and a decision will be written accordingly.
4. Additional Information submitted by Requestor is reflected as Exhibit III of the Commission's case file.

III. PARTIES' POSITIONS

1. Requestor: Letter dated 07/19/02

“Pre-authorization is not required for DME less than \$500.00. This IE received an Interferential Stimulator on February 2, 2002. Rental in the amount of \$249.00 was billed for the initial month as well as one additional month. The rental of this unit never exceeded \$500.00. Therefore, pre-authorization was not requested as it was not required. Electrodes are not included in the rental fee and should not be considered part of the rental fee. There were only two line items billed and each of these services were billed accordingly using the appropriate CPT code. Two different services were rendered and this was reflected in the billing which indicates two different CPT codes.”

2. Respondent: Letter dated 07/18/02

“On 2/7/02, (Provider) dispensed an interferential stimulator for rental without obtaining pre-authorization. According to a TWCC Times question the total rental and supplies exceeds \$500.00 so pre-auth should be obtained before dispensing. No supporting clinical documentation has been provided by the requestor for use of a totally passive treatment modality two years post injury. Also HCFA lists cervical dysfunction as a diagnosis which is not compensable or related to this work comp. injury.”

IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only dates of service eligible for review are 02/07/02 and 03/10/02.
2. The denial listed on the EOB is “AX170-PRE-AUTHORIZATION WAS REQUIRED, BUT NOT REQUESTED FOR THIS SERVICE PER TWCC RULE 134.600.”
3. The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT or Revenue CODE	BILLED	PAID	EOB Denial Code(s)	MARS (Maximum Allowable Reimbursement)	REFERENCE	RATIONALE:
02/07/02 03/10/02	E1399	\$249.00 \$249.00	\$0.00 \$0.00	A A	DOP DOP	TWCC Rule 134.600 (i)(5)	The provider states in their position statement that they billed the DME for the initial month and one additional month, bringing the total rental for the billed charges to \$498.00. TWCC Rule 134.600 (i)(5) indicates "DME in excess of \$500.00 per item and TENS usage" is to be pre-authorized. The provider did not have to obtain pre-authorization because the charges were not in excess of \$500.00. Therefore, reimbursement is recommended in the amount of \$498.00 .
02/07/02	A4556	\$90.00	\$0.00	A	DOP	TWCC Rule 134.600 (i)(5) DME GR (VIII)	The supplies are not part of the rental and do not come under the pre-authorization Rule. Pre-authorization does not need to be obtained for the item listed. The DME GR states that: "...DME supplies shall be itemized and billed under the appropriate HCPCS code." The provider billed in accordance with the referenced rule. Therefore, reimbursement is recommended in the amount of \$85.00 .
Totals		\$588.00	\$0.00				The Requestor is entitled to reimbursement in the amount of \$583.00 .

V. ORDER

Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Medical Review Division hereby ORDERS the Respondent to remit \$583.00 plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this order.

This Order is hereby issued this 21st day of November 2002.

Michael Bucklin
Medical Dispute Resolution Officer
Medical Review Division

MB/mb